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THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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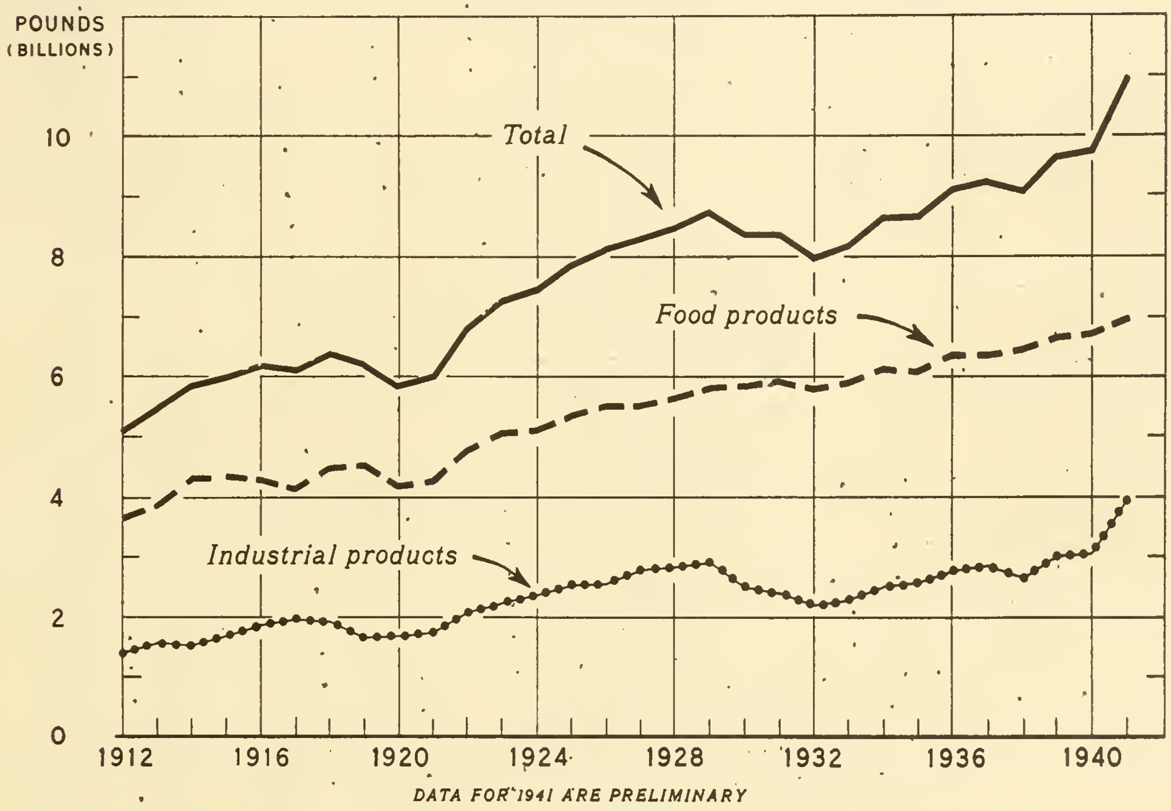

U. S. DEPARTMENT OF AGRICULTURE NEG. 39761 BUREAU OF AGRICULTURAL ECONOMICS

Total utilization of fats and oils in the United States increased in 1941 to the record level of 10,942 million pounds - 1,175 million pounds (12 percent) above the previous high reached in 1940. Utilization in food products was only 4 percent greater than in 1940, but utilization in industrial products, reflecting the marked gain in manufacturing and building activity, was 30 percent greater.

Table 1.- Price per pound of specified fats, oils, and glycerin, March 1940 and 1941, January-March 1942

Item	Mar.		1942		
	1940	1941	Jan.	Feb.	Mar.
	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	28.0	30.8	35.2	34.5	34.4
Butter, 92-score, New York	28.6	31.6	35.4	34.8	34.9
Oleomargarine, dom. veg., Chicago	15.0	14.5	18.5	19.0	19.0
Compounds (animal and veg. cooking fats), Chicago	9.6	11.1	16.8	17.1	17.0
Lard, loose, Chicago	5.0	6.2	11.0	11.4	11.4
Lard, prime steam, tierces, Chicago	5.9	7.0	10.7	12.2	12.7
Lard, refined, cartons, Chicago	6.5	7.3	12.9	13.4	13.5
Oleo oil, extra, tierces, Chicago	7.1	7.2	11.8	13.0	13.0
Oleostearine, bbl., N.Y.	6.3	6.8	10.8	10.8	10.5
Tallow, edible, Chicago	4.9	6.0	9.6	9.7	9.8
Corn oil, crude, tanks, f.o.b. mills	6.1	6.6	12.4	12.5	12.8
Corn oil, refined, bbl., N.Y.	8.8	9.1	15.4	15.5	15.5
Cottonseed oil, crude, tanks, f.o.b. S. E. mills	5.9	6.4	12.6	12.6	12.6
Cottonseed oil, p.s.y., tank cars, N.Y.	6.7	7.1	13.7	13.9	14.0
Peanut oil, crude, tanks, f.o.b. mills	6.6	6.2	13.0	13.0	13.0
Peanut oil, dom. refined, bbl., N.Y.	9.6	8.8	16.4	16.8	16.9
Soybean oil, crude, tank cars, midwestern mills	5.6	6.1	11.4	11.7	11.8
Soybean oil, dom., crude, drums, N.Y.	7.2	7.9	12.8	13.0	13.0
Soybean oil, refined, drums, N.Y.	8.4	8.6	14.0	14.2	14.2
Babassu oil, tanks, f.o.b. mills, Pacific Coast	---	6.8	---	---	---
Coconut oil, crude, tanks, f.o.b. Pacific Coast 1/	5.8	6.8	---	---	---
Coconut oil, edible, drums, N.Y.	8.6	8.8	---	---	---
Olive oil, edible, drums, N.Y.	26.0	46.9	75.7	75.7	75.7
Olive oil, inedible, drums, N.Y.	12.8	30.8	58.4	59.3	59.3
Olive-oil foots, prime, drums, N.Y.	8.3	11.5	18.9	19.6	19.8
Palm oil, Niger, crude, drums, N.Y. 1/	7.6	7.7	12.4	12.2	12.2
Palm oil, Sumatra, tanks, N.Y. 1/	6.0	6.6	---	---	---
Rape oil, drums, N.Y.	13.7	12.7	15.4	15.5	15.5
Rape oil, blown, drums, N.Y.	17.2	17.5	18.0	18.2	18.2
Teaseed oil, crude drums, N.Y.	12.0	17.4	30.0	30.0	30.0
Tallow, inedible, Chicago	4.6	5.4	9.1	9.3	9.3
Grease, A white, Chicago	4.6	5.5	9.2	9.6	9.6
Menhaden oil, crude, tanks, f.o.b. Baltimore	4.6	5.4	8.2	8.6	8.9
Sardine oil, crude, tanks, Pacific Coast	5.0	6.9	8.4	8.9	8.9
Whale oil, refined, bleached winter, drums, N.Y.	9.5	9.5	11.1	11.1	11.1
Linseed oil, raw, tank cars, Minneapolis	10.3	9.0	10.6	11.1	12.4
Linseed oil, raw, drums, carlots, N.Y.	10.7	10.0	11.3	12.0	13.4
Perilla oil, drums, N.Y.	21.0	18.2	24.2	24.6	24.6
Oiticica oil, drums, N.Y.	19.8	17.3	24.1	25.2	25.2
Tung oil, drums, N.Y.	27.4	28.6	39.0	40.1	40.2
Castor oil, No. 3, bbl., N.Y.	12.8	9.8	12.5	13.4	13.8
Castor oil, dehydrated, drums, carlots, N.Y.	18.1	13.2	16.9	17.6	18.3
Cod-liver oil, med. U.S.P. bbl., N.Y. (dol.per bbl)	33.5	71.0	82.1	78.5	78.5
Cod oil, Newfoundland, drums, N.Y.	9.0	9.0	10.8	11.3	11.3
Glycerin, soaplye, 80 percent basis, tanks, N.Y.	8.0	7.6	11.5	11.5	11.5

Compiled from Oil, Paint and Drug Reporter, The National Provisioner, and reports of the Agricultural Marketing Administration and Bureau of Labor Statistics.
Prices quoted include excise taxes and duties where applicable.

1/ Three-cent processing tax added to price as originally quoted.

THE FATS AND OILS SITUATION

Summary

Prices of fats and oils probably will not change greatly in the next few months. Most items except butter and linseed oil, prices of which are not restricted, are now at maximum levels specified under Office of Price Administration Schedules 53 and 92.

Following the announcement in late March that the price of 92-score butter would be supported by the Department of Agriculture at 36 cents per pound at Chicago, the wholesale price advanced more than 2 cents. The higher level of butter prices is expected to stimulate production of milk and also to result in some diversion of the flow of milk from condenseries and cheese factories to creameries, thus increasing the supply of butter.

Prices of flaxseed and linseed oil have advanced materially in recent weeks, reflecting strength in the demand for paint oils, uncertainty concerning imports of flaxseed, and announcement of a supported price of $2.25 per bushel for Canadian flaxseed in store at Ft. William. Rising prices in the domestic market were followed early in April by a further increase in the price of Argentine flaxseed. The recent order of the War Production Board restricting new building is expected to reduce private use of linseed oil during the latter part of 1942, but increases in war demands for paint and varnish oils will tend to offset this influence on prices.

In early April an arrangement was approved by the President and by the Prime Minister of Canada to increase the production of oil-bearing crops in the United States and of oats, barley, and flaxseed in Canada. Without changing the existing tariffs, this arrangement provides for more effective

utilization of the joint agricultural resources of the two countries to meet wartime needs.

During March, the War Production Board issued orders restricting the utilization of coconut oil, babassu and other palm-kernel oils, palm oil, and rape oil. Early in April, additional imported oils and oilseeds were placed on the list of commodities which private importers may not import without special permission from the War Production Board. Among these were babassu nuts and oil, castor beans and oil, cashew nut-shell oil, and oiticica oil. Restrictions previously had been placed on private imports of coconut oil and copra, palm oil, tung oil, and rape oil. Restrictions do not apply to imports by governmental agencies.

-- April 17, 1942

REVIEW OF RECENT DEVELOPMENTS

BACKGROUND.- With large world supplies available, prices of fats and oils were low in 1939. Prices advanced that fall, following the outbreak of war in Europe, but declined in the spring of 1940. During the first half of 1941, prices advanced sharply, reflecting a tight shipping situation for imported materials, marked improvement in domestic demand, and Government purchases of lard for export. Prices tended to level off during the second half of 1941, partly because of a temporary improvement in shipping and partly because of price-control measures. In the first quarter of 1942, however, further advances were made, notably by lard and linseed oil. Maximum or ceiling prices for fats and oils were first established on December 13, 1941. On January 2, 1942, the maximum price schedule was revised upward. On February 4, a further increase in the maximum price of lard was made, and the ceiling on linseed oil was removed.

Prices of Flaxseed and Linseed Oil Rise Sharply in March

Flaxseed prices advanced rapidly during March. Prices of linseed oil also rose. No. 1 flaxseed at Minneapolis, quoted at about $2.35 early in the month, sold for more than $2.70 by the end of the month--a rise of about 15 percent. Linseed oil was priced at 11.0-11.2 cents per pound in tank cars at New York (zone 3) at the beginning of the month, and at 13.0-13.2 cents per pound at the end. Possibly in reflection of the limitations imposed by the War Production Board on construction, prices of flaxseed receded somewhat early in April. Linseed oil prices, however, advanced slightly further.

Under the Price Control Act, no ceiling may be imposed on flaxseed prices below 110 percent of parity. On March 15, this level, as applied to prices received by farmers, was $2.75 per bushel. The average price received by farmers for flaxseed on March 15 was $2.37. On the basis of a normal margin between terminal market prices and farm prices, the average price received by farmers at the end of March would have been about $2.50 per bushel.

Strength in the demand for paint oils, uncertainty concerning imports of flaxseed, and the announcement of price support for Canadian flaxseed on the basis of a price of $2.25 per bushel for flaxseed in store at Ft. William, contributed to the marked rise in domestic flaxseed prices during March. On April 2, the Argentine Grain Board raised the price asked for flaxseed for export, f.o.b. Buenos Aires by 15-1/8 cents per bushel (United States currency). Since February, the freight rate between Buenos Aires and New York was raised approximately $5 per ton, or 13 cents per bushel, and the war-risk insurance rate by 6 cents per bushel--from 4 cents to 10 cents. Thus the total increase since February in the cost of Argentine flaxseed delivered at New York has been about 34 cents per bushel.

New Support Price Announced for Butter

The Secretary of Agriculture announced on March 28 that the price of 92-score butter in carload lots at Chicago would be supported at 36 cents per pound. The market price promptly rose to the new support level. Earlier in March it had ranged between 34 and 34-1/2 cents per pound, and averaged 34.4 cents per pound for the month compared with 34.5 cents per pound for February.

Lard Prices at New Ceiling

Lard prices rose throughout February, following the establishment on February 4 of a new higher ceiling. Early in March they reached the new maximum level where they have remained. The average price in March, 12.7 cents per pound for prime steam lard at Chicago, in tierces, was about 4 percent above the average price of 12.2 cents in February.

Prices of Most Fats and Oils Unchanged at Maximum Levels

March prices of fats and oils other than lard and linseed oil varied little from February levels. There was a slight decline in the price of oleostearine, while prices of castor oil and dehydrated castor oil rose moderately. Most prices are now at or near the ceilings. The index of prices for 27 leading fats and oils in March stood at 98 percent of the 1924-29 average, up one point from February largely because of the rise in lard and linseed oil prices.

Use of Coconut Oil and Other High Lauric Acid Oils Restricted

On March 20, the War Production Board issued General Preference Order M-60 affecting coconut oil, babassu oil, palm-kernel oil, and other oils with a lauric acid content of 35 percent or over, as well as copra and other seeds and nuts from which high lauric acid oils are obtained. The order limits the types and rates of uses of these oils, and requires a certain proportion of inventories to be set aside and held.

Utilization of high lauric acid oils for margarine, shortening, or cooking fat is prohibited. No processor may saponify these oils in any month in a quantity in excess of 75 percent of the monthly average quantity saponified in 1941. On and after June 1, 1942, no person may utilize these oils in any process which does not produce glycerine, nor in "any manufacture or process in which glycerine is produced where the amount of glycerine (whether free or combined) remaining in the product exceeds 1.5 percent calculated on an anhydrous soap basis or where the remainder of the glycerine is not at least 90 percent recovered." But during April and May any person may use high lauric acid oils in processes which do not produce glycerine (except for margarine, shortening, or cooking fat) at not more than 50 percent of his average monthly rate during 1941.

The purpose of these regulations is to obtain a larger output of glycerine. Large quantities of glycerine are needed for the war, and high lauric acid oils yield a relatively high proportion of glycerine when saponified.

The order also restricts the processing or preparation of high lauric acid oils to quantities necessary to meet normal production schedules of manufacturers who process for permitted uses.

Every person who had more than 30,000 pounds of high lauric acid oils (including oil in stocks of copra or other nuts and seeds) at the close of business on March 19, is required to set aside and hold 25 percent of his stocks on that date. The purpose is to set up a reserve supply which may be drawn upon, at the direction of the Director of Industry Operations, whenever it is needed in war production.

Use of Palm Oil Restricted

Under General Preference Order M-59, issued by the War Production Board March 20, the use of palm oil has been limited since April 1 to two types of manufacturing:

(1) The manufacture of tin plate, terneplate, long terneplate, steel sheets, steel strip and black plate.

(2) Any manufacturing process in which glycerine is produced where the amount of glycerine (whether free or combined) remaining in the product does not exceed 1.5 percent calculated on an anhydrous soap basis and where the remainder of the glycerine is at least 90 percent recovered.

The order also restricts the processing or preparation of palm oil to quantities necessary to meet normal production schedules of manufacturers who process for permitted uses, and prohibits sale or delivery except to dealers or persons using the oil for permitted uses.

Everyone who had more than 30,000 pounds of palm oil at the close of business on March 19 was required by the order to set aside and hold 20 percent of his inventory on that date. As in the case of the high lauric acid oils, the purpose is to set up a reserve supply.

Certain Restrictions on the Sale of Tung Oil Removed

Manufacturers who have stocks of tung oil on hand that they cannot use, because General Preference Order M-57 restricts the uses of tung oil, may now sell their stocks to manufacturers who need the oil for a permitted use. This ruling was made by the War Production Board on March 20 in the form of amendment No. 2 to the general preference order. Restrictions on the use of tung oil remain the same as before.

As the result of the amendment, paragraph (c) of order M-57 now reads as follows:

> "(c) Restrictions on Use of Tung Oil. After the effective date of this order no person shall use or process any Tung Oil, except upon the following categories of orders:
>
> (1) Defense orders having preference rating of A-2 or better.
>
> (2) Orders placed by Defense Supplies Corporations.
>
> (3) Orders for the manufacture of can linings for cans to contain food products for human consumption.
>
> (4) Orders for the manufacture of outside can coatings where wood oil is essential to withstand normal food processing.
>
> (5) Orders for uses to comply with Underwriters' Regulations, Health, Sanitary or Safety Regulations, or laws issued by Government authority, provided the pertinent provisions of such laws or regulations were in effect both on December 1, 1941, and on the date of such use and specifically require the use of Tung Oil or a product required specifically to be made from Tung Oil."

Use of Rapeseed Oil Restricted

The War Production Board on March 23 issued General Preference Order M-77 restricting the use of rapeseed oil. After April 1, 1942, except as specifically authorized by the Director of Industry Operations, no person shall use or consume rapeseed oil except in the manufacture of the following products:

(1) Marine engine oils, heavy machine engine lubricating oils and pneumatic tool oils.

(2) Factice for compounding rubber.

(3) Blown rapeseed oil.

Provision also was made for setting aside a certain percentage of supplies on hand for inventory reserve. The sale or delivery of rapeseed oil without specific authorization by the Director of Industry Operations is prohibited except sale or delivery to a dealer or manufacturer using such oil in the specified products.

Additional Oils and Oilseeds Placed on List of Strategic Materials

Additional oils and oilseeds were placed on list A of strategic materials in amendment No. 4 to General Imports Order M-63, issued by the War Production Board on April 8. These oils and oilseeds are as follows: Babassu nuts and kernels, babassu nut oil, cashew nut-shell oil, castor beans, castor oil, cohune nuts and kernels, and oiticica oil. An earlier amendment, No. 2, effective in January, had put copra, coconut oil, palm oil, tung oil, and rapeseed oil on the list.

The order on imports (originally effective December 28, 1941) prohibits any person other than the Metals Reserve Company, the Defense Supplies Corporation, or any other governmental department, agency or corporation, from making contracts or other arrangements for importing strategic materials, except by written authorization of the Director of Industry Operations. The order further prohibits private owners and consignees of a strategic material from disposing of any interest, from processing or changing the physical condition, or from transferring possession or changing the location of such material except to and from the port of entry to the place of initial storage, without written authorization by the Director of Industry Operations.

Purchases of Fats and Oils and Related Products by the Agricultural Marketing Administration

Data on purchases of fats, oils, oilseeds, and their products by the Agricultural Marketing Administration (formerly by the Surplus Marketing Administration) are presented in table 2 below. Purchased materials may be used for export under lend-lease and for distribution through relief channels. The table shows totals for the period from March 15, 1941, when purchases began, to the end of the year, and totals for January 1-March 28, 1942, together with weekly figures for March.

More lard was purchased than any other fat or oil--326 million pounds in 1941, and 143 million pounds during the first 3 months of 1942. Nearly 27 million pounds (450,000 bushels) of soybeans and about 20 million pounds of soybean flour were bought in 1941. Smaller quantities of oleo oil, vitamin A concentrate, butter, oleomargarine, shelled peanuts, seed peanuts, and peanut butter were purchased during the year. Over 8 million pounds of butter were bought during the first 3 months of 1942 and more than 22 million pounds of edible linseed oil were purchased in January.

Table 2.- Purchases of fats, oils, and related products by the Agricultural Marketing Administration, specified periods

Item	1941	1942				
	Mar.-Dec.	Jan. 1 to	Week ended			
	1/	Mar. 28	Mar. 7	Mar. 14	Mar. 21	Mar. 28
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Lard	326,209	142,994	10,977	4,725	8,976	9,150
Oleo oil	2,032	632	---	---	---	---
Tallow, edible	---	685	---	168	352	165
Fish-liver oil - Vitamin A	107	160	---	---	---	127
Butter	150	8,324	1,591	1,308	---	2,238
Oleomargarine	1,129	---	---	---	---	
Shortening	---	1,344	---	1,344	---	---
Soybeans	26,980	---	---	---	---	---
Soy flour	20,230	---	---	---	---	---
Peanuts, shelled	6,011	---	---	---	---	---
Seed peanuts	60	---	---	---	---	---
Peanut butter	3,104	2,624	---	---	---	---
Edible linseed oil	---	22,400	---	---	---	---

Compiled from reports of the Agricultural Marketing Administration.
1/ March 15-December 31.

Expanding its purchase program, the Agricultural Marketing Administration recently asked packers operating under Federal inspection to offer for sale to the Federal Surplus Commodity Corporation at least two thirds of their lard production during the next 3 to 6 months. This action has been taken to assure the availability of sufficient quantities of lard to meet lend-lease requirements during the late spring and early summer months.

Prices of Loose Lard at Chicago, January 1920 to March 1942

A series of monthly average wholesale prices of loose lard at Chicago is presented for the first time in table 5 of this report.

DEVELOPMENTS AFFECTING PRODUCTION GOALS

Joint United States-Canada Oil Crop and Coarse Grain Agreement Announced

Approval by the President of an arrangement affecting agriculture which was recommended by the Joint Economic Committees of Canada and the United States was announced from the White House on April 10. The arrangement also has been approved by the Prime Minister of Canada. This arrangement provides for increasing the production of oil-bearing crops in the United States and oats, barley, and flaxseed, in Canada to meet wartime needs of both countries. Without changing existing tariffs, the arrangement provides for more effective utilization of the joint agricultural resources of the two countries.

Both nations are confronted by a shortage of fats and oils due to the loss of imported supplies, increased wartime requirements and the necessity of supplying substantial quantities to our allies. The increase in the acreage of oats and barley in Canada will not only provide more adequate feed supplies for the expanding livestock program of Canada, but will make possible a greater expansion this season of soybean production in the Corn Belt by permitting crop acreage that would otherwise be used for feed grain production to be shifted to soybeans without impairing feed resources.

In order to bring about the desired increases in production, the Canadian Government has adopted a definite program to encourage wheat growers to shift surplus wheat land into oats, barley, and flax. The arrangement further strengthens the oil crop production goal program already set up in the United States.

Terms of the agreement follow:

WHEREAS, The United States and Canada are confronted by a serious shortage of fats and oils due to inability to obtain customary imports owing to war operations and the shortage of shipping, increased wartime requirements, and the necessity of supplying substantial quantities of these products to the United Nations, chiefly the United Kingdom and the Union of Soviet Socialist Republics; and

WHEREAS, The United States and Canada, in addition to meeting their own expanded requirements, have each undertaken to supply the United Kingdom with extensive quantities of livestock products involving the necessity of increasing the supplies of feed grains; and

WHEREAS, An increased supply of oil can be obtained by expanding the acreage of soybeans in the United States and of flaxseed in Canada; and

WHEREAS, A material increase in feed supplies can be obtained by expanding the acreage of oats and barley in Canada; and

WHEREAS, The facilitating of such a program of expansion would contribute to the joint war effort of the two countries, and at the same time encourage a more effective use of their respective resources;

THEREFORE, The Joint Economic Committees of Canada and the United States recommend:

A. That the Governments of the two countries, through their appropriate departments or agencies, undertake the following:

(1) The United States to increase its acreage of oil-producing crops with the object of alleviating the impending shortage of oils in both the United States and Canada.

(2) Canada to increase its acreage of flaxseed to provide as large a volume as possible for domestic needs and an excess to offset in part the reduction in North American imports of vegetable oil and oil seeds.

(3) Canada to increase its acreage of oats and barley with the object of obtaining adequate supplies of feed grains for the expanded livestock program of Canada and supplementary supplies for the United States.

B. That in order to encourage such a program, while at the same time providing necessary assurances in the matter of market outlets, the respective Governments agree, effective from next autumn, that:

(1) Canada shall facilitate the delivery in the United States, at the then current United States prices, of whatever quantity of flaxseed, oats, and barley Canada may be in a position to supply;

(2) The United States shall not impose additional restrictions on the importation of flaxseed, oats, and barley moving from Canada to the United States;

(3) The United States shall facilitate the sale to Canada, at the then current United States prices, of whatever quantity of vegetable oils or vegetable oil seeds the United States may be in a position to supply;

(4) Canada shall not impose additional restrictions on the importation of vegetable oils or vegetable oil seeds moving from the United States to Canada.

Farmers Urged to Substitute Flaxseed and Soybeans for Oats and Barley

The Department of Agriculture on March 7 urged farmers who grow oats and barley as cash crops to substitute soybeans or flaxseed for these crops wherever possible. This is an additional step designed to bring about further increases in domestic vegetable oil production to supply expanded war needs, and replace supplies formerly imported.

The suggestion to substitute these oil crops applies to areas where oats and barley are grown as cash crops, and does not apply where these grains are needed as nurse crops for new grass and legume seedings.

The request to substitute soybeans for oats and barley follows other measures in a program to encourage greater vegetable oil production. These measures include:

(1) A program to assist farmers in obtaining soybeans and peanuts for seed.

(2) A price supporting purchase and loan program for soybeans, peanuts, and flaxseed.

(3) A revision in the Agricultural Adjustment Administration program to add grasses and legumes seeded with flax, peas, or small grain to the list of crop and land uses which may be acceptable to meet the requirement that 20 percent of the farms' cropland be devoted to soil building crops.

(4) A revision in the Agricultural Adjustment Administration program providing that approved cover crops--seeded next fall on acreage now devoted to peanuts grown for oil--may qualify for as much as one half of the erosion-resisting acreage requirement. In most of the peanut growing areas, the soil building program requires that cooperators devote a minimum of 25 percent of their farms' cropland for a part of the program year to erosion-resisting crops.

(5) A plea to cotton growers to plant their full allotments in order to make available as much cottonseed oil as possible, together with more longer staple lint, except where this would interfere with contemplated peanut or soybean increases.

Loan Rates for Flaxseed Produced in 1942 Announced

The Department of Agriculture announced April 13 the loan rates on flaxseed produced in 1942. The loan rate for No. 1 flaxseed will be $2.40 a bushel delivered at Minneapolis, St. Paul, Duluth, Chicago, and Portland; $2.45 at Los Angeles and San Francisco; and $2.35 at Kansas City, Mo. Loan values at local stations for flaxseed in storage on the farm or in country warehouses will be determined on the basis of the terminal market rates less transportation and 4 cents per bushel handling costs. It is estimated that the average loan rate on flaxseed stored on the farm will be at least $2.20 per bushel.

The announcement of the new rates implements the statement made January 16, 1942, by the Secretary of Agriculture that prices for flaxseed would be supported at levels to encourage expanded production. Flaxseed is an important source of drying oils which will be required in increased quantities to offset curtailed imports. The loans will be made by Commodity Credit Corporation and the program will be administered in the field by the local committees of the Agricultural Adjustment Agency.

The general provisions of the flaxseed loan program are similar to those in effect last year. The discount for flaxseed grading No. 2 will be 5 cents per bushel. A deduction of 6 cents per bushel will be made unless evidence is submitted that freight has been paid and that freight bills have been registered for transit privileges. No storage allowance is made for farm storage and loans secured by warehouse receipts will be discounted 7 cents a bushel unless they carry an endorsement stating that storage charges have been paid through June 30, 1943. This deduction represents the estimated average of storage charges which the Commodity Credit Corporation would be required to pay if the producer failed to redeem his note.

Loans will be made through January 31, 1943, and the notes will mature on demand or June 30, 1943. Only flaxseed grading No. 2 or better will be eligible for loan. Seed containing more than 30 percent damage, or more than 11 percent moisture, or otherwise of low quality, is not eligible. Seed must also have been produced in compliance with the regulations of the Agricultural Adjustment Administration program.

UTILIZATION OF FATS AND OILS, BY CLASSES OF PRODUCTS, 1912-41

Total Utilization of Fats and Oils by Classes of Products, 1912-41

Estimates of the total utilization of fats and oils, crude basis, in the United States annually from 1912 to 1941, by major classes of products, are shown for the first time in table 3 of this report. Total utilization each year has been estimated by adding together the annual figures on domestic disappearance of the individual fats and oils, which in turn are derived from statistics of production, factory stocks, and foreign trade as reported by the Bureau of the Census and the Department of Agriculture.

The estimates of utilization in the various classes of products have been arrived at independently (as indicated by footnotes to the table), except in the case of "other edible products," which is a residual item, obtained by subtracting the estimates for all the other classes of products from the estimate of total utilization. The basic data for the earlier years shown are less complete and less satisfactory than data for the later years. Several of the estimates for the years 1913, 1915, 1918, and 1920 are based on straight-line interpolations.

Total utilization of fats and oils in the United States has a little more than doubled during the 30-year period, rising from a little over 5 billion pounds in 1912 to slightly less than 11 billion pounds in 1941. Per capita utilization during this period increased from 53.4 pounds to 82.3 pounds. The increase has been unevenly distributed between utilization for food and utilization for industrial purposes. On the basis of a straight-line trend, the increase in industrial utilization during the 30-year period may be calculated at 130 percent, as against an increase of 95 percent in utilization for food. The greatest percentage increases among the individual classifications occurred in edible uses other than butter, lard, and margarine, 150 percent; in utilization for soap, 160 percent; and in the miscellaneous group of industrial uses, 190 percent.

An unusually sharp rise in the utilization of fats and oils occurred in 1941. Utilization for food continued to increase at approximately the same rate as the long-time trend (see chart on cover page), but utilization for industrial purposes was stimulated by the unusual rate of manufacturing and building activity in 1941. Total industrial utilization was up 920 million pounds, or 30 percent, from 1940.

The increase in the miscellaneous group of industrial uses (including among many other items tin and terne plate, cutting oils, leather, and textiles) was especially marked. Estimated consumption increased 47 percent, from 410 million pounds in 1940 to 601 million pounds in 1941. The drying industries took 34 percent more than in 1940, and the soap industry, 25 percent more. Total utilization for food increased by 4 percent. Decreases in butter of 3 percent and in lard of 2 percent were more than offset by a net increase of 14 percent in the consumption of fats and oils in margarine, cooking fats, salad oils, and other food products.

Increased utilization of fats and oils in 1941 was made possible by an expanded domestic production of tallow, greases, and oilseeds, and by an improvement in the ocean shipping situation in the latter half of the year, which permitted larger total imports than in 1940. Despite these favorable factors, disappearance of fats and oils outran production, and factory stocks of crude and refined oils were drawn upon to some extent during the year.

Factory Consumption of Specified Fats and Oils, by Classes of Products, 1939-41

Data for the years 1939-41 on factory consumption of fats and crude oils by classes of products, as reported by the Bureau of the Census [1], together with the estimated total apparent disappearance, are given in this report (table 4) in continuation of similar statistics, beginning 1931, published in the April 1939 issue of The Fats and Oils Situation.

Total disappearance of lard during 1941 was about 1,935 million pounds, little different from the 1940 disappearance of about 1,933 million pounds. The price of lard was much higher in 1941 than in 1940, however, because of Government purchases and higher consumer purchasing power, and this was reflected in a sharp reduction in the utilization of lard in manufactured products. Factory consumption dropped from about 30 million pounds in 1940 to about 19 million pounds in 1941. Utilization for soap, which had been at the unusually high level of 645,000 pounds in 1940 declined to 88,000 pounds in 1941.

Factory consumption of rendered pork fat is reported for the first time by the Bureau of the Census for the year 1941. A comparison of the figure reported, almost 50 million pounds, with the figure reported for lard, about 19 million pounds, suggests that rendered pork fat is a considerably more important item in factory consumption than lard itself. Like lard, it is used almost entirely in the manufacture of food products.

Factory consumption of inedible tallow and greases amounted to about 1,661 million pounds in 1941, compared with approximately 1,242 million pounds in 1940 and approximately 1,085 million pounds in 1939. The increase in 1941 came largely from increased slaughter of beef cattle, increased recovery of greases, and from the unusually large stocks that had been accumulated during 1940. Most of the factory consumption (about 1,368 million pounds) was accounted for by soap, but utilization for miscellaneous industrial purposes, including lubricants, increased from approximately 196 million pounds in 1940 to 289 million pounds in 1941.

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[1] Factory Consumption of Animal and Vegetable Fats and Oils by Classes of Products for 1941, preliminary report, Washington, March 18, 1942. Data for earlier years are given in Animal and Vegetable Fats and Oils, an annual report of the Bureau of the Census.

Factory consumption of edible tallow, oleo oil, and oleostearine also increased in 1941. Consumption of these three products combined was approximately 105 million pounds in 1941 and 90 million pounds in 1940. All are utilized almost entirely in food products.

Factory consumption of cottonseed oil increased by about 164 million pounds in 1941, when it amounted to 1,444 million pounds, compared with 1,280 million pounds in 1940 and 1,321 million pounds in 1939. The large crop of peanuts in 1940 resulted in a high level of curshings in 1941. Factory consumption of peanut oil was at the record level of approximately 114,000 pounds in 1941 compared with 40 million pounds in 1940. Peanut oil and cottonseed oil are utilized almost entirely in food products.

The consumption of soybean oil in reporting factories also was increased, totaling 464 million pounds in 1941 in comparison with 432 million pounds in 1940 and 370 million pounds in 1939. Utilization in food products, the major outlet for soybean oil, showed only a slight increase, but there were increases of about 40 percent in utilization for several industrial purposes. Utilization for soap increased from about 18 million pounds to about 25 million pounds; for paint and varnish, from about 30 million pounds to about 42 million pounds; and for miscellaneous industrial uses, from about 16 million pounds to about 23 million pounds.

Reported factory consumption of corn oil, the remaining important domestic vegetable oil, was somewhat lower in 1941 than in 1940. However, the estimated apparent disappearance, including direct use as a salad and cooking oil and for other purposes, was higher. Moderate increases occurred in the utilization of corn oil for soap and for miscellaneous industrial purposes. On the other hand, a reduction was registered in its utilization in manufactured food products (about 64 million pounds in 1941 compared with approximately 72 million pounds in 1940.)

Among the imported oils, perilla, tung, babassu, olive, and sesame oils were consumed in smaller quantities because of special difficulties in obtaining these oils from abroad. The curtailment in factory consumption of perilla oil was particularly severe. About 7 million pounds were consumed in 1941, compared with about 19 million pounds in 1940 and about 43 million pounds in 1939.

On the other hand, a large increase was reported in the factory consumption of castor oil. Total factory consumption rose from about 41 million pounds in 1939 to 54 million pounds in 1940 and 90 million pounds in 1941. Of the total quantity consumed in 1941, approximately 42 million pounds were utilized for miscellaneous industrial products and 44 million pounds for paint and varnish. Dehydrated castor oil has been used increasingly in the drying industries as a substitute for tung oil and perilla oil.

Imports and domestic production of flaxseed were at relatively high levels in 1941. Factory consumption of linseed oil totaled about 539 million pounds compared with 386 million pounds in 1940 and 345 million pounds in 1939.

Reflecting increased imports and a strong demand, factory consumption of both coconut oil and palm oil was substantially higher in 1941 than in 1940. Approximately 638 million pounds of coconut oil were consumed in reporting factories in 1941 compared with 528 million pounds in 1940. Factory consumption of palm oil totaled approximately 278 million pounds in 1941 compared with 157 million pounds in 1940. Seventeen percent of the coconut oil was used in food products, and about 76 percent for soap. Of the palm oil consumed, 33 percent was used in food products, 47 percent for soap, and 15 percent for tin and terne plate.

Marine mammal oils (whale and seal oils) were used in considerably smaller quantities in 1941 than in 1940. Factory consumption is reported at about 18 million pounds in 1941 as against approximately 27 million pounds in 1940. Despite the lower total, utilization for miscellaneous industrial uses increased from about 8 to 11 million pounds. Utilization for soap, formerly the principal use for these oils, was reduced sharply. Reported utilization of fish and fish-liver oils by classes of products reveals a marked shift in use. Smaller quantities were utilized in the manufacture of food products and soap in 1941, while increased quantities were used in the drying industries and for miscellaneous industrial purposes.

The outstanding facts indicated by these statistics appear to be (1) the large increases in 1941 in consumption of fats and oils of domestic origin, particularly the increase in consumption of inedible tallow and greases; (2) increases in consumption of coconut, palm, linseed, and castor oils; and (3) a tendency toward increased utilization of fish oils, marine mammal oils, and soybean oil in the drying industries and other industrial uses.

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Table 3.- Utilization of fats and oils, crude basis, in food, soap, paint, and other products, United States, 1912-41

Year	Butter excluding use in margarine 1/	Margarine	Lard, excluding use in compounds etc.	Compounds and vegetable cooking fats	Other edible products	Total food	Soap	Drying industries 2/	Other industrial products	Total soap, drying, and other industrial products	Total domestic disappearance
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1912	1,578	125	1,059	909		3,671	741	517	161	1,419	5,089
1913	1,600	134	1,029	1,118		3/3,881	3/760	4/655	5/166	1,581	5/5,462
1914	1,680	124	1,045	1,447		4,297	819	548	171	1,537	5,834
1915	1,728	125	1,147	1,317		3/4,317	3/946	4/548	5/178	1,672	5/5,988
1916	1,764	165	1,169	1,173		4,271	1,059	628	185	1,872	6,143
1917	1,629	253	1,031	1,205		4,119	1,202	587	181	1,970	6,088
1918	1,438	309	1,226	1,488		6/4,460	6/1,230	502	196	1,928	6,388
1919	1,602	325	1,111	1,475		4,512	938	556	176	1,670	6,181
1920	1,573	325	1,260	1,003		3/4,162	3/915	593	173	1,681	5,842
1921	1,756	189	1,158	1,153		4,257	991	582	168	1,741	5,997
1922	1,883	154	1,446	1,268		4,751	1,119	727	203	2,050	6,800
1923	1,994	194	1,580	1,282		5,049	1,196	793	229	2,218	7,266
1924	2,051	199	1,601	1,245		5,096	1,321	807	232	2,360	7,456
1925	2,084	202	1,400	1,686		5,372	1,415	844	245	2,504	7,876
1926	2,171	209	1,413	1,731		5,525	1,486	837	254	2,577	8,101
1927	2,158	237	1,486	1,641		5,522	1,626	869	265	2,761	8,282
1928	2,111	275	1,564	1,694		5,643	1,635	915	277	2,826	8,470
1929	2,114	305	1,526	1,871		5,817	1,689	931	287	2,907	8,723
1930	2,133	277	1,533	1,944		5,887	1,560	675	265	2,500	8,387
1931	2,244	192	1,657	1,208	642	5,942	1,542	612	239	2,393	8,335
1932	2,275	167	1,768	969	633	5,811	1,527	474	189	2,190	8,001
1933	2,248	200	1,727	972	754	5,901	1,456	544	271	2,272	8,173
1934	2,312	216	1,611	1,215	765	6,118	1,615	589	292	2,496	8,614
1935	2,207	309	1,211	1,552	810	6,089	1,504	708	362	2,573	8,662
1936	2,135	325	1,438	1,614	820	6,332	1,578	776	407	2,761	9,094
1937	2,156	326	1,338	1,605	952	6,376	1,659	830	383	2,872	9,247
1938	2,194	312	1,416	1,517	997	6,437	1,677	673	291	2,640	9,077
1939	2,333	243	1,617	1,406	1,042	6,641	1,810	813	383	3,007	9,648
1940	2,275	257	1,903	1,196	1,076	6,708	1,853	797	410	3,059	9,767
1941 7/	2,208	297	1,867	1,418	1,172	6,963	2,310	1,068	601	3,979	10,942

Continued -

Table 3.- Utilization of fats and oils, crude basis, in food, soap, paint, and other products, United States, 1912-41 -Continued

Compiled as follows:

Butter and lard -

Total apparent disappearance, less quantities of these fats reported or estimated as used in the manufacture of margarine, shortening, soap, printing inks, and for other edible and miscellaneous products.

Margarine -

1912-21, estimates based on fiscal year figures on quantities of fats and oils used in manufacture, from Bureau of Internal Revenue and Institute of Margarine Manufacturers, and on production data for calendar years from Bureau of Internal Revenue. 1922-41, consumption of fats and oils in manufacture, from reports of the Bureau of Internal Revenue.

Compounds and vegetable cooking fats and other edible products -

1912-30, total food, minus total domestic disappearance of butter and lard, excluding quantities used in margarine, compounds, etc., and fats and oils estimated or reported as used in the manufacture of margarine.

Compounds and vegetable cooking fats -

1931-41, factory consumption, from Bureau of the Census.

Other edible products -

1931-41, total food, minus total domestic disappearance of butter and lard, excluding quantities used in margarine, compounds, etc., and fats and oils reported as used in the manufacture of margarine and compounds and vegetable cooking fats.

Total food -

Total domestic consumption, all fats and oils, less quantities used in soap, drying, and other nonfood industries.

Soap -

1912-30, from United States Tariff Commission Report to the Congress on Certain Vegetable Oils, Whale Oil and Copra, Report No. 41, Second Series, pp. 127, 130-132; 1931-41, factory consumption of fats and oils in soap as reported by the Bureau of the Census, plus approximately 88 percent of the item "loss, including oil in foots."

Drying industries -

1912-30, total domestic disappearance of linseed oil, tung oil, and perilla oil, plus 20 percent of total domestic disappearance of fish oils; 25 percent of soybean oil; 4 percent of castor oil. 1931-41, total domestic disappearance less reported nondrying uses of linseed oil, tung oil, perilla oil, and oiticica oil; and factory consumption of other fats and oils in paint, varnish, linoleum, oilcloth, and printing inks, as reported by the Bureau of the Census.

Other industrial products -

Total domestic disappearance of neatsfoot oil, wool grease, cashew nut-shell oil, castor oil, hempseed oil, Japan wax, kapok oil, mustard oil, rape oil, and vegetable tallow, less quantities of these oils reported by the Bureau of the Census as used in the manufacture of food products, soap, and in the drying industries, 1912-41, plus 2 percent of total domestic disappearance of all fats and oils, 1912-30, and factory consumption of other fats and oils in "miscellaneous" products, as reported by the Bureau of the Census, 1931-41.

Continued -

Table 3.- Utilization of fats and oils, crude basis, in food, soap, paint, and other products, United States, 1912-41 -Continued

Total domestic disappearance, all fats and oils, computed from data on production, trade, and stocks.

1/ Actual weight, containing approximately 80 percent butterfat.
2/ Paints, varnishes, linoleum, oilcloth, and printing inks.
3/ Interpolation with adjustment to total consumption minus consumption in drying and miscellaneous industries.
4/ Fish oils interpolated.
5/ Interpolated.
6/ Same as footnote 3/ with adjustment upward of 100 million pounds in the case of soap, and downward 100 million pounds in the case of food.
7/ Preliminary.

Table 4.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1939-41

Products manufactured	Babassu oil			Castor oil			Coconut oil		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	506	381	---	---	---	---	20,659	17,576	22,069
Oleomargarine	13,944	6,148	946	---	---	---	38,516	21,783	29,786
Other edible products	8,459	5,759	6,677	---	---	---	43,931	54,689	54,156
Soap	37,633	41,221	29,753	946	1,225	1,976	388,912	396,857	484,124
Paint and varnish	---	---	---	11,439	24,368	44,240	707	1,261	919
Linoleum and oilcloth	---	---	---	88	137	1,295	---	---	---
Printing inks	---	---	---	317	352	760	3	2	1
Miscellaneous	6	8	54	28,277	27,950	41,643	3,852	4,531	8,639
Loss, including oil in foots	2,645	1,964	1,547	23	14	6	32,574	31,504	38,276
Total factory consumption	63,193	55,481	38,977	41,090	54,046	89,920	529,154	528,203	637,970
Total apparent disappearance	67,565	60,224	41,599	79,069	90,249	157,422	600,074	597,828	726,516

Products manufactured	Corn oil			Cottonseed oil			Fish and fish-liver oils		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	1,453	746	62	904,950	823,359	888,733	20,321	10,902	6,165
Oleomargarine	489	419	628	98,657	115,947	149,991	---	---	---
Other edible products	65,384	70,956	62,963	233,442	263,323	311,569	---	---	---
Soap	4,441	3,638	4,948	1,061	2,971	3,010	114,961	88,661	69,423
Paint and varnish	155	174	848	51	65	196	24,981	30,787	40,653
Linoleum and oilcloth	---	---	1	---	---	---	17,385	15,001	14,682
Printing inks	---	---	34	192	152	153	204	179	179
Miscellaneous	1,586	2,110	2,776	2,017	2,793	4,106	40,622	33,636	55,640
Loss, including oil in foots	10,559	10,347	12,082	80,820	71,350	85,844	3,532	349	289
Total factory consumption	84,067	88,390	84,342	1,321,190	1,279,960	1,443,602	222,006	179,515	187,031
Total apparent disappearance	157,469	171,991	173,853	1,413,909	1,377,635	1,566,686	284,309	238,539	202,420

Continued -

Table 4.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1939-41 - Continued

Products manufactured	Marine mammal oils			Lard, excluding rendered pork fat			Rendered pork fat 2/		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	12	---	---	7,398	16,786	5,237	---	---	45,550
Oleomargarine	---	---	---	1,355	5,098	8,298	---	---	---
Other edible products	---	---	---	6,317	6,587	4,724	---	---	3,979
Soap	51,522	19,250	6,889	50	645	88	---	---	1
Paint and varnish	36	48	26	---	---	---	---	---	---
Linoleum and oilcloth	---	---	---	---	---	---	---	---	---
Printing inks	4	7	10	2	9	13	---	---	---
Miscellaneous	7,002	7,580	11,172	28	135	37	---	---	---
Loss, including oil in foots	74	---	---	103	259	209	---	---	111
Total factory consumption	58,650	26,885	18,097	15,253	29,519	18,606	---	---	49,641
Total apparent disappearance	71,388	33,547	27,885	3/1,632,269	3/1,932,637	3/1,934,841	---	---	---

Products manufactured	Linseed oil			Neatsfoot oil			Oleo oil		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	---	---	---	---	---	---	470	880	1,282
Oleomargarine	---	---	---	---	---	---	11,865	14,333	18,415
Other edible products	---	---	---	---	---	---	147	62	77
Soap	1,780	1,489	2,278	11	19	35	67	127	189
Paint and varnish	246,965	270,239	373,745	24	28	37	---	---	---
Linoleum and oilcloth	68,023	84,262	110,236	---	---	---	---	---	---
Printing inks	17,526	17,108	23,547	4	---	---	---	---	---
Miscellaneous	10,564	13,013	28,423	5,622	5,498	7,139	362	453	433
Loss, including oil in foots	117	114	1,133	17	5	13	---	31	12
Total factory consumption	344,975	386,225	539,362	5,678	5,550	7,224	12,911	15,886	20,408
Total apparent disappearance	561,337	590,140	816,163	4,067	3,674	2,966	69,749	69,456	89,542

Continued -

Table 4.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1939-41 - Continued

Products manufactured	Oleostearine			Olive oil, edible			Olive oil, inedible		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	25,574	16,940	23,103	---	---	---	---	---	---
Oleomargarine	3,069	3,387	3,057	---	---	---	---	---	---
Other edible products	3,142	5,926	4,817	3,798	4,570	2,308	---	---	---
Soap	278	549	70	54	130	84	1,439	1,637	555
Paint and varnish	---	---	---	---	---	---	14	7	4
Linoleum and oilcloth	---	---	---	---	---	---	---	---	---
Printing inks	2	6	---	---	---	---	---	---	---
Miscellaneous	160	231	391	131	109	92	4,061	4,481	2,138
Loss, including oil in foots	60	34	35	---	---	---	---	---	---
Total factory consumption	32,285	27,073	31,473	3,983	4,809	2,484	5,514	6,125	2,697
Total apparent disappearance	37,598	35,417	44,320	65,842	52,781	22,077	8,923	5,743	2,611

Products manufactured	Olive oil foots			Palm oil			Palm-kernel oil		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	---	---	---	113,078	33,224	86,486	266	1,146	4
Oleomargarine	---	---	---	1	4	4,991	473	---	957
Other edible products	---	---	---	1,352	3,081	1,670	5,292	4,772	6,916
Soap	19,068	14,948	10,029	102,146	84,934	129,871	3,657	197	1,113
Paint and varnish	---	---	---	1	2	---	---	---	---
Linoleum and oilcloth	---	---	---	---	---	---	---	---	---
Printing inks	---	---	---	5	2	1	---	---	---
Miscellaneous	302	936	589	4/ 29,681	4/ 32,302	4/ 43,768	36	24	70
Loss, including oil in foots	---	---	---	24,782	3,664	11,700	830	634	1,304
Total factory consumption	19,370	15,884	10,618	271,046	157,213	278,487	10,554	6,773	10,364
Total apparent disappearance	26,116	17,338	11,354	291,950	180,642	291,556	11,359	11,619	6,769

Continued -

Table 4.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1939-41 - Continued

Products manufactured	Peanut oil			Perilla oil			Rape oil		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	51,713	22,516	81,905	---	---	---	37	---	---
Oleomargarine	2,445	1,728	2,209	---	---	---	---	---	---
Other edible products	8,678	9,743	18,102	---	---	---	---	---	---
Soap	805	387	597	1	---	---	2	49	5
Paint and varnish	---	---	---	28,674	14,659	5,408	79	88	103
Linoleum and oilcloth	---	---	---	10,758	2,387	340	---	---	---
Printing inks	---	---	---	1,915	1,108	831	---	---	---
Miscellaneous	161	1,334	5,112	1,198	491	445	6,459	8,651	11,928
Loss, including oil in foots	3,291	3,822	6,375	---	---	---	---	---	18
Total factory consumption	67,093	39,530	114,300	42,546	18,645	7,024	6,577	8,788	12,054
Total apparent disappearance	82,883	61,818	145,867	52,159	19,514	8,575	5,752	12,902	10,580

Products manufactured	Sesame oil			Soybean oil			Tallow, edible		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	724	24	226	201,599	212,317	215,967	56,671	39,595	41,227
Oleomargarine	---	---	---	70,822	87,106	75,634	69	---	---
Other edible products	1,102	1,133	293	32,345	39,980	47,976	3,483	4,777	4,886
Soap	14	38	304	11,177	17,612	24,737	418	657	4,826
Paint and varnish	---	---	---	21,720	29,828	41,594	---	---	---
Linoleum and oilcloth	---	---	---	6,438	7,254	7,666	---	---	---
Printing inks	---	---	---	62	82	255	1	1	4
Miscellaneous	290	34	45	9,332	16,538	23,445	1,445	1,611	1,936
Loss, including oil in foots	136	114	19	16,265	20,924	26,412	159	109	122
Total factory consumption	2,266	1,343	887	369,760	431,641	463,686	62,246	46,750	53,001
Total apparent disappearance	5/8,282	5,161	5,494	454,712	499,126	556,473	93,004	79,827	95,287

Continued -

Table 4.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1939-41 - Continued

Products manufactured	Tallow, inedible, and greases 6/			Tung oil			Other vegetable oils		
	1939	1940	1941 1/	1939	1940	1941 1/	1939	1940	1941 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	---	---	---	---	---	---	887	32	93
Oleomargarine	---	---	---	---	---	---	---	---	---
Other edible products	---	---	---	---	---	---	9,181	5,020	3,524
Soap	905,897	1,043,342	1,367,790	---	---	---	7,364	2,051	1,162
Paint and varnish	144	235	514	82,307	54,611	48,825	5,816	8,336	13,690
Linoleum and oilcloth	2	2	1	3,763	2,064	1,896	1,264	706	723
Printing inks	453	422	482	2,105	1,728	2,960	78	20	89
Miscellaneous	177,833	195,811	289,355	2,545	654	327	10,709	6,756	3,912
Loss, including oil in foots	681	1,386	2,614	---	---	---	553	448	530
Total factory consumption	1,085,010	1,241,198	1,660,756	90,720	59,057	54,008	35,852	23,369	23,723
Total apparent disappearance	1,085,010	1,241,198	1,660,756	105,596	67,575	70,107	---	---	---

Factory consumption compiled from reports of the Bureau of the Census. Total apparent disappearance computed from data on production, trade, and stocks compiled as follows:

Production -
Lard, Bureau of Animal Industry and Bureau of Agricultural Economics.
Marine animal oils, Fish and Wildlife Service.
Tung oil, Bureau of Foreign and Domestic Commerce.
Other fats and oils, Bureau of the Census.
Trade figures, Bureau of the Census.
Stocks -
Lard, Agricultural Marketing Administration.
Other fats and oils, Bureau of the Census.

Data for earlier years, beginning 1931, are given in The Fats and Oils Situation for April 1939.

1/ Preliminary.
2/ Not reported prior to 1941.
3/ Includes rendered pork fat.
4/ Includes 29,130,000 pounds of oil used in the tin and terneplate industry in 1939; 31,075,000 pounds in 1940; 42,059,000 pounds in 1941.
5/ Revised.
6/ Includes 5,721,000 pounds of wool grease in 1939; 7,355,000 pounds in 1940; 11,463,000 pounds in 1941.

Table 5.- Lard, loose: Wholesale price per pound, Chicago, 1920-March 1942

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1920	22.6	19.1	19.4	18.5	19.0	18.8	17.6	17.4	18.9	19.3	18.8	13.4	18.6
1921	11.8	10.7	10.6	9.1	8.4	8.8	10.3	10.3	10.7	9.0	8.6	8.1	9.7
1922	9.4	10.0	10.5	10.1	10.6	10.8	10.5	10.5	10.3	10.7	10.6	10.3	10.4
1923	10.8	10.5	11.1	10.5	10.4	10.4	10.0	10.2	11.8	12.3	12.8	12.0	11.1
1924	11.6	10.3	10.1	9.9	9.6	9.7	10.9	13.3	13.3	15.3	14.3	15.5	12.0
1925	15.2	14.7	16.0	15.3	14.9	16.3	16.7	16.9	17.1	15.7	15.0	13.5	15.6
1926	14.2	13.8	13.6	13.0	14.4	15.8	16.0	14.1	13.9	13.5	12.0	12.0	13.8
1927	11.5	11.5	11.6	11.5	11.4	12.0	11.8	11.5	12.3	12.2	11.9	11.2	11.7
1928	11.0	10.3	10.6	10.8	11.0	11.0	11.5	12.0	12.4	11.9	11.5	10.8	11.2
1929	10.9	10.9	11.3	11.1	10.8	10.9	11.3	11.5	11.3	10.7	10.2	9.6	10.9
1930	9.5	9.8	9.5	9.6	9.4	8.9	8.9	10.4	11.5	11.3	10.3	9.0	9.8
1931	7.9	7.3	8.3	8.0	7.2	7.3	7.2	6.7	7.1	7.5	6.0	5.1	7.2
1932	4.6	4.1	4.2	3.8	3.3	3.3	4.6	4.9	4.8	4.3	4.5	3.6	4.2
1933	3.6	3.3	3.8	4.2	5.6	5.6	6.0	5.3	5.0	5.1	5.3	4.5	4.8
1934	4.6	5.6	6.3	5.8	5.5	6.0	6.3	8.1	9.4	9.3	10.1	11.1	7.4
1935	12.5	13.1	13.2	12.9	13.2	13.8	14.0	16.0	15.9	14.4	12.9	11.6	13.6
1936	10.6	10.3	10.3	10.4	9.8	9.7	10.4	11.4	11.2	11.0	11.3	12.6	10.7
1937	12.8	11.7	11.9	11.1	11.4	11.6	12.0	11.5	11.3	10.1	9.3	8.0	11.1
1938	8.2	8.2	8.1	7.8	7.6	7.8	8.4	7.6	7.6	7.2	7.0	6.5	7.7
1939	6.3	6.1	6.0	5.7	5.9	5.5	5.1	5.3	8.0	6.3	5.7	5.8	6.0
1940	5.3	5.3	5.0	5.3	5.0	4.7	4.9	4.6	5.1	4.7	4.9	4.7	5.0
1941	5.6	5.5	6.2	7.8	8.6	9.2	9.5	9.8	10.6	9.9	9.9	10.2	8.6
1942	11.0	11.4	11.4										

Compiled from The National Provisioner. Simple average of weekly quotations, January 1920-May 1939; beginning June 1939, simple average of daily quotations.

Table 6.- Wholesale prices of fats and oils: Index numbers,
March 1940 and 1941, January-March 1942

(1924-29 = 100)

Group	March		1942		
	1940	1941	Jan.	Feb.	Mar.
Eight domestic fats and oils 1/	84	93	122	125	127
Eight domestic fats and oils	60	66	87	89	90
All fats and oils (27 items)	65	72	96	97	98
Grouped by origin:					
Animal fats	60	67	82	83	84
Marine animal oils	89	99	121	125	126
Vegetable oils, domestic	70	71	123	125	128
Vegetable oils, foreign	90	103	154	156	160
Grouped by use:					
Butter	64	70	80	79	78
Butter, adjusted 2/	62	68	79	76	76
Lard	45	54	82	93	97
Food fats, other	67	78	140	142	142
Soap fats	65	75	126	128	128
Drying oils	103	99	118	124	134
Miscellaneous oils	100	86	107	113	114

Data for earlier years beginning 1910 are given in Technical Bulletin No. 737 (1940) and The Fats and Oils Situation beginning December 1940.
1/ 1910-14 = 100. 2/ Adjusted for typical seasonal variation.

Table 7.- Prices of specified oil-bearing materials,
March 1940 and 1941, January-March 1942

Item	Unit	March		1942		
		1940	1941	Jan.	Feb.	Mar.
		Dollars	Dollars	Dollars	Dollars	Dollars
Castor beans, Brazilian, shipment, C.& f., New York	Long ton	---	55.25	78.70	94.38	95.25
Copra, bags, f.o.b. Pacific Coast	100 lb.	1.73	2.38	5.50	---	---
Cottonseed, U.S. farm price	Short ton	26.84	24.81	43.24	45.04	44.18
Flaxseed, No. 1, Minneapolis	Bu.	2.08	1.80	2.23	2.33	2.59
Flaxseed, U.S. farm price	"	1.91	1.53	1.95	2.08	2.37
Peanuts, shelled, Runners No. 1, S.E. mills	100 lb.	5.25	5.30	8.67	9.95	13.14
Peanuts, (for nuts and oil): U. S. farm price	" "	3.60	3.46	5.11	5.44	6.03
Peanuts for oil, delivered designated agencies	100 lb.	---	---	4.07	4.08	4.05
Soybeans, No. 2 Yellow, Chicago	Bu.	1.14	1.04	1.83	1.95	1.92
Soybeans, U. S. farm price	"	1.01	.89	1.65	1.78	1.79

Compiled from Oil, Paint and Drug Reporter, Daily Trade Bulletin (Chicago), Daily Market Record (Minneapolis), and reports of the Agricultural Marketing Administration, and Bureau of Agricultural Economics.

Table 8.- Price per ton of specified oilseed meals, March 1940 and 1941, January-March 1942

Item 1/	Mar.		1942		
	1940	1941	Jan.	Feb.	Mar.
	Dollars	Dollars	Dollars	Dollars	Dollars
Copra meal, Los Angeles	19.60	25.25	48.30	49.50	51.10
Cottonseed meal, 41 percent protein, Memphis	30.25	24.45	39.90	37.90	37.00
Cottonseed meal, 41 percent protein, Chicago	36.20	30.75	46.10	43.60	42.60
Linseed meal, 34 percent protein, Minneapolis	30.40	27.40	39.50	42.50	42.00
Linseed meal, 32 percent protein, New York	35.50	23.10	34.75	2/34.50	34.40
Peanut meal, 45 percent protein f.o.b. southeastern mills	32.69	20.88	44.12	45.69	45.35
Soybean meal, 41 percent protein, Chicago	30.45	26.85	46.45	46.45	44.85

Compiled from records of the Agricultural Marketing Administration.

1/ Bagged, carlots. 2/ Bulk.

Table 9.- Production and stocks of butter, lard, rendered pork fat, cottonseed oil, and peanut oil, February 1940 and 1941, December-February 1941-42

Item	Feb.		1941-42		
	1940	1941	Dec.	Jan.	Feb. 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Production					
Creamery butter	127.8	130.1	117.9	121.4	118.8
Lard, Federal inspection	141.0	106.2	171.4	183.3	115.0
Rendered pork fat 2/	---	11.5	19.0	20.0	13.5
Cottonseed oil, crude	138.7	147.6	154.4	146.7	128.8
Peanut oil, crude	2.6	24.8	8.6	4.4	4.0
Stocks end of month					
Butter	18.4	16.5	114.4	83.1	63.7
Lard	256.6	317.4	181.2	204.4	201.9
Rendered pork fat 2/	---	9.2	5.3	5.1	4.7
Cottonseed oil, crude basis 3/	877.4	723.0	508.0	528.8	549.1
Peanut oil, crude basis 3/	---	---	43.6	---	---

Compiled as follows:

Production of creamery butter and peanut oil, and cold storage holdings of butter, lard and rendered pork fat, Agricultural Marketing Administration and Bureau of Agricultural Economics.

Production under Federal inspection of lard and rendered pork fat, Bureau of Animal Industry.

Factory production and stocks of cottonseed oil, and stocks of peanut oil, Bureau of the Census.

1/ Preliminary. 2/ Included with lard prior to November 1940. 3/ Crude plus refined converted to crude basis by dividing by the following factors: Cottonseed oil, 0.93; peanut oil, 0.94.

Table 10.- Oleomargarine: Production and materials used in manufacture, United States, February 1940 and 1941, December-February 1941-42

Item	February		1941-42 1/		
	1940	1941	December	January	February
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Production:					
Colored	169	338	412	424	284
Uncolored	29,313	27,770	34,226	34,647	32,258
Total 2/	29,482	28,108	34,638	35,071	32,541
Materials used:					
Oleo oil	1,337	1,161	2,127	2,234	1,923
Oleostearine	261	253	235	294	232
Lard, neutral	333	503	992	1,217	698
Oleo stock	105	120	355	360	343
Monostearine	---	11	18	17	12
Total, animal	2,036	2,048	3,727	4,122	3,208
Cottonseed oil	10,200	11,626	14,129	14,427	14,738
Soybean oil	8,657	7,394	5,242	6,906	7,102
Peanut oil	153	163	205	195	146
Corn oil	89	39	70	118	130
Cottonseed stearine	---	2	---	6	---
Soybean stearine	---	---	---	---	---
Vegetable gum	1	---	---	---	---
Total, domestic vegetable	19,100	19,224	19,646	21,652	22,116
Coconut oil	1,841	1,296	4,153	2,146	728
Babassu oil	770	62	---	5	22
Palm oil	---	---	528	728	487
Palm flakes	---	---	28	---	11
Palm-kernel oil	---	---	137	---	---
Sunflower oil	---	---	---	15	213
Total, foreign vegetable	2,611	1,358	4,846	2,894	1,461
Total fats and oils	23,747	22,630	28,219	28,668	26,785
Milk	5,761	5,348	6,230	6,113	5,897
Salt	1,232	998	1,186	1,209	1,097
Derivative of glycerine	80	64	76	73	80
Lecithin	8	14	22	24	22
Soda (benzoate of)	10	11	15	16	16
Vitamin concentrate	2	1	8	8	9
Miscellaneous	---	1	2	---	1
Total, other materials	7,093	6,437	7,539	7,443	7,122
Total, all materials	30,840	29,067	35,758	36,111	33,907

Compiled from Internal Revenue records and Internal Revenue Bulletin.

1/ Preliminary

2/ Total of unrounded numbers.